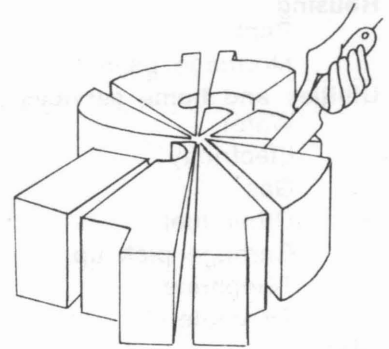


YOUR FAMILY SPENDING PLAN

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Almost everyone would like to have more money. However, more money isn't always possible and doesn't always solve the problem. Most people must get along on what they have.

Whether a family has a lot of money or just a little, a sound plan for spending and saving is the key to having dollars buy what is needed and wanted before they disappear in unexpected ways. A spending plan can help a family:

- live within available income
- plan for today and tomorrow
- reach financial goals
- spend more effectively
- develop confidence, independence and resourcefulness in handling financial problems

A plan for spending and saving possesses no magic. It cannot change the amount of money you have to spend. It cannot make you save. Neither can it eliminate all financial crisis. But a spending plan can increase the ability to have those things that are important to the family.

How Do You Begin?

Consider the needs and wants of the entire family. Involve every one in the planning. Essentially there are three basic elements to consider in setting up a plan:

- your income
- your expenses
- how to adjust spending to money available

Step 1

Add up your total income. If income is from wages or salary, figure only take-home pay. Add any interest or dividends received plus money contributed by any family members.

Annual wages or income \$ _____

Step 2

Figure out your total fixed expenses. Use the worksheet to help you remember all the ways the family's money is obligated or has to be spent.

Total fixed expenses \$ _____

Step 3

Estimate how much is needed for flexible expenses—those day-to-day or irregular expenses that can only be estimated. You can estimate using past bills or checks if you have not kept records over a period of time. Use the worksheet for figuring flexible expenses.

Total flexible expenses \$ _____

Total expenses \$ _____

Step 4

Does the "outgo" equal your income? If expenses are greater than the income, the family will need to make some decisions about what to do. Your family may decide to revise its budget, increase its income or use resources other than money.

SPENDING PLAN WORKSHEET

Fixed Expenses

Housing

Rent

\$ _____

Mortgage payments

Utilities and home services

Water

Electricity

Gas

Other fuel

Garbage pick up

Telephone

TV cable

Taxes

Federal income tax*

City and county taxes

Property taxes

Installment payments

Car

TV

Charge accounts

Personal loans

Other

Insurance

Life

Automobile

Health and accident, hospitalization

Personal property, fire and theft

Social security**

Transportation

License plates

Vehicle sticker, inspection

Commuting fare

Parking

Education

Tuition or registration fees

Room and board

Books

Other

Personal allowances

Husband

Wife

Children

Personal improvement

Music or dance lessons, etc.

Subscriptions (newspapers, magazines)

Other

Contributions

Religious

Charity

Other

Membership dues

Union

Professional

Social

Savings and investments

Emergencies

Future

Other

TOTAL

\$ _____

* Estimate any additional payment beyond amount withheld from regular wages.

** If self employed.

Flexible Expenses

Food

Meals at home	\$ _____
Meals eaten out	_____
Other	_____

Clothing

New clothes, accessories	
Laundry or drycleaning	
Alterations, repairs or renovation	
Other	

Home Improvement, supplies

Maintenance	_____
Remodeling	_____
Furnishings and equipment	_____
Yard care, supplies	_____
Cleaning or cleaning aids	_____
Other	_____

Gifts

Birthdays	_____
Weddings, anniversaries	_____
Religious celebrations	_____
Illness	_____
Graduation	_____
Other	_____

Transportation

Gasoline	_____
Repairs, upkeep	_____
Taxi, bus or plane	_____
Other	_____

Recreation

Hobbies _____
 Vacations _____
 Movies or sports _____
 Other _____

Contributions

Religious _____

Charities _____

Service, professional groups _____

School or colleges _____

Other _____

Health*

Medical	
Dental	
Drugs	
Medical supplies	
Other	

Personal Care

Grooming aids _____
Barber shop _____
Beauty parlor _____

Others

TOTAL \$_____

* Not covered by insurance.

Once your income and expenses are down on paper, you can see if spending is distributed the way you want it or if it is "lopsided." Are you saving enough money, or are you spending too much for one item with not enough to cover other items? Is it balanced? Does it meet your needs? If not, you may need to evaluate your expenses and see what can be cut down or eliminated.

Nobody can answer these questions for your family. The spending plan is a guide that may be adjusted for changing prices, different family situations or unexpected expenses. Use the worksheets in this leaflet to help your family make a spending plan.

Use the form, "Family Spending Plan," to compare what you actually spend with what you plan to spend. This record will help you allocate money for all expenses.

After your family has developed a spending plan, consider future goals and plan for a longer time period. For example, when the car is paid off, will that money be saved, put on another debt or just spent? A long-range spending plan takes into account the life expectancy of a car or other such items. Plan for when their replacement will be necessary.

Don't be discouraged if the plan doesn't work the first time. It takes time to solve money problems.

FAMILY SPENDING PLAN

Planning Periods (weekly, monthly or yearly)				
	Actual	Planned	Planned	Actual
INCOME				
FIXED EXPENSES				
FLEXIBLE EXPENSES				
BALANCE				

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